


**CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
BOARD OF ADMINISTRATION
FINANCE COMMITTEE
MINUTES OF MEETING**

February 18, 2009



The Finance Committee met on February 18, 2009, in the Robert F. Carlson Auditorium, Lincoln Plaza Building, 400 Q Street, Sacramento, California.

The meeting was called to order at 3:25 p.m. and the following members were present:

Tony Oliveira, Chair
Terry McGuire for John Chiang, Vice Chair
Henry Jones
Grant Boyken for Bill Lockyer
Louis F. Moret
Kurato Shimada

Excused Member(s):
Charles Valdes

Other Board Member(s):
Patricia Clarey

AGENDA ITEM 2 – APPROVAL OF NOVEMBER 17 & 19, 2008, MEETING MINUTES

The minutes were approved as presented.

AGENDA ITEM 3 – APPROVAL OF THE DECEMBER 16, 2008, MEETING MINUTES

The minutes were approved as presented.

AGENDA ITEM 4 – CHIEF AUDITOR’S REPORT

Larry Jensen, Chief Auditor, presented a matrix reflecting the status of various activities occurring within the Office of Audit Services to the Committee as an information item.

AGENDA ITEM 5 – MANAGEMENT LETTER

Mr. Jensen, in addition to staff from Macias, Gini, and O’Connell, presented the 2008 Draft Management Letter to the Committee as an action item.

On **MOTION** by Henry Jones, **SECONDED** and **CARRIED**, the Committee recommended the Board accept the 2008 Draft Management Letter, as prepared by Macias, Gini, and O’Connell, LLP for the Fiscal Year Ended June 30, 2008.

AGENDA ITEM 6 – CHIEF COMPLIANCE OFFICER’S ANNUAL REPORT

Sherry Johnstone, Chief Compliance Officer, presented the 2008 Compliance Office Report to the Committee as an information item.

AGENDA ITEM 7 – COMPLIANCE OFFICE REPORT

Ms. Johnstone presented a matrix reflecting the status of various activities occurring within the Office of Enterprise Compliance to the Committee as an information item.

AGENDA ITEM 8 – ASSISTANT EXECUTIVE OFFICER’S REPORT ON BRANCH ACTIVITIES

Teri Bennett, Assistant Executive Officer, presented a matrix reflecting the status of various activities occurring within the Information Technology Services Branch to the Committee as an information item.

AGENDA ITEM 9 – CalPERS 2008-11 THREE-YEAR BUSINESS PLAN SEMI-ANNUAL UPDATE

Nancy Quinlan, Interim Chief, Strategic Management Services Division, presented the semi-annual update and proposed business plan objective changes to the Committee as an action item.

Staff recommended the target completion date for Objectives 12.1 and 12.2 be changed from December 31, 2008, to December 31, 2010. This proposed change is a result of external business events and changing the target date will ensure both objectives are executed in tandem.

On **MOTION** by Terry McGuire, **SECONDED** and **CARRIED** the Committee recommended the Board approve the following:

- Changes to the target completion date from December 31, 2008, to December 31, 2010, for Objectives 12.1 and 12.2 as discussed during the agenda item presentation
- The transmittal letter and submission of the CalPERS 2008-11 three-year business plan to the Legislature.

AGENDA ITEM 10 – ACCOUNTING ACTION PLAN 2009

Alan Lum, Assistant Division Chief, Fiscal Services Division, presented the 2009 Accounting Action Plan to the Committee as an information item.

AGENDA ITEM 11 – CURRENT BUDGET ISSUES

Steve Pietrowski, Assistant Division Chief, Fiscal Services Division, informed the Committee that all CalPERS receipts from the State are on schedule and external payments via the State Controller's Office are current.

AGENDA ITEM 12 – ANNUAL CONSULTING AND SERVICES CONTRACTS REPORT

Kim Malm, Chief, Operations Support Services Division, presented the annual report to the Committee as an information item.

AGENDA ITEM 13 – ASSISTANT EXECUTIVE OFFICER REPORT

John Hiber, Assistant Executive Officer, presented the annual calendar review and a matrix that reflected the status of various activities to the Committee as an information item.

AGENDA ITEM 14 – PROPOSED MARCH 2009 AGENDA

The proposed agenda for March 2009 was approved with the addition of the following agenda item:

- Privacy and Security

AGENDA ITEM 15 – PUBLIC COMMENT

There was no public comment.

The next Finance Committee meeting is scheduled for March 13, 2009, in Sacramento, California.

Date: _____

ANNE STAUSBOLL
Chief Executive Officer